

SEAMO NEWSLETTER

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2008 May 30

GOVERNING COMMITTEE ALLOCATES \$9.8 MILLION IN RETROACTIVE FUNDING

On 2008 May 29, the SEAMO Governing Committee approved the allocation of retroactive AHSC AFP funds received for the 2007/08 year. Governors agreed to the distribution to SEAMO funded clinical departments of approximately \$9.8 million.

In reviewing the report of the Task Group on Operationalizing Principles and of its parent committee, the Resources Committee, Governors agreed that the goal should be to:

- Reward academic activity
- Reflect the external marketplace
- Reward clinical effort
- Send an appropriate message to all departments

ONE-TIME FUNDING ALLOCATION

25-May-08

Department	<i>Academic Funds</i>	<i>Clinical Funds</i>	<i>Billing Effectiveness</i>	<i>Total Distribution</i>
Anaesthesiology	\$ 284,807	\$ -	\$ 388,251	\$ 673,058
Critical Care	THRU HOME DEPARTMENTS	\$ -	\$ 64,194	\$ 64,194
Emergency Medicine	\$ 298,172	\$ -	\$ 310,002	\$ 608,174
Family Medicine	\$ 303,401	\$ -	\$ 199,728	\$ 503,129
Medicine	\$ 1,536,482	\$ 2,672,531	\$ 525,815	\$ 4,734,828
Obstetrics & Gynecology	\$ 282,273	\$ 55,035	\$ 193,004	\$ 530,312
Ophthalmology	\$ 80,754	\$ 244,814	\$ 87,910	\$ 413,479
Otolaryngology	\$ 51,084	\$ 106,084	\$ 43,514	\$ 200,682
Paediatrics	\$ 274,748	\$ -	\$ -	\$ 274,748
Pathology	\$ -	\$ -	\$ -	\$ -
PM&R	\$ 77,196	\$ -	\$ 86,666	\$ 163,862
Psychiatry	\$ 375,092	\$ -	\$ -	\$ 375,092
Surgery	\$ 522,508	\$ -	\$ 356,306	\$ 878,814
Urology	\$ 193,907	\$ 99,859	\$ 68,786	\$ 362,551
	\$ 4,280,421	\$ 3,178,323	\$ 2,324,176	\$ 9,782,920

Annualized Academic Funds	\$ 5,569,098	Available Funds	\$ 4,640,915
Annualized Clinical Funds	\$ 5,085,316	Available Funds	\$ 4,237,763
Recruitment Funds	\$ 602,828	Available Funds	\$ 602,828
Innovation Funds	\$ 301,414	Available Funds	\$ 301,414
	\$ 11,558,656		\$ 9,782,920

Clinical Funds: Departments/Divisions allocated 75% of the funds identified in the MOH/OMA Contract
 Billing Effectiveness: Tiered approach beginning at 60% billed of SEAMO income.

Following the lead of other AHSC AFP sites, new clinical funding notionally targeted to specific subspecialties was allocated on the basis of 75% going to those identified in the funding to SEAMO. At SEAMO, the remaining 25% was allocated based on the value of OHIP claims submission as compared to the funding received from SEAMO. Academic funds were distributed based on the group's teaching and research activities.

The full list of recommendations approved by the governing committee include:

1. All funds are allocated to departments. It is the responsibility of departments to allocate funds to individuals.
2. AHSC "Academic" funds are distributed based on the following:
 - a. 1/3 of the academic funds allocated on the basis of department contribution to undergraduate medical education as measured by half-day and scheduled clinical clerk rotations as reported to SEAMO by the UGME Office;
 - b. 1/3 of the academic funds allocated based on the share of postgraduate trainee rotations; and,
 - c. 1/3 of the academic funds allocated based on peer reviewed research grant funding as reported by the University for AFMC.
3. AHSC "New Clinical Funding" is distributed as follows:
 - a. Seventy-five percent of the Clinical Fund to the departments as indicated in Appendix I of the Amended Funding Agreement on a pro rated basis.
 - b. Twenty-five percent of the Clinical Fund allocated to a Shadow Billing Effectiveness Fund.
 - c. No department will be reduced.
 - d. The Shadow Billing Effectiveness Fund will provide additional one-time funding based on the department's OHIP claims paid during the first three quarters of 2007/08.
 - e. Claims paid as a percentage of SEAMO funding (including the New Clinical Funding described in 3 above, but excluding Wait List Strategy paid at 100%) will be used to calculate a department's share of the Shadow Billing Effectiveness Fund. These calculations will be made on a departmental basis.
 - f. Allocation of the Shadow Billing Effectiveness Fund is tiered based on the percentage of SEAMO funding represented by paid claims.
 - g. A full share of the fund will be provided for departmental claims paid above 70% of the SEAMO funding. For example, a department billing at 73% of its funding would have its share value calculated at 1.03. Similarly, at 90% claims compared to funding the share value would be 1.2, for claims at 63% the share value would be 0.93. No share value is assigned where paid claims are below 60% of SEAMO funding.
4. SEAMO will hold distribution of funds centrally pending confirmation by the department that it has an approved practice plan that meets the conditions of the new SEAMO funding agreement.
5. All practice plans are required to provide funding to individuals through a University account. Within thirty days of the receipt of the funding, the practice plan must notify SEAMO of the amounts to distributed to each individual.
6. Allocation by departments to individuals must be consistent with the *Principles of SEAMO*, must be consistent with the practice plan requirements of the *Amending Agreement*, must be consistent with the rules established by the department through democratic and collegial processes, and must be transparent.
7. In allocating funds to individuals/divisions, departments should take into account both the external marketplace and the contributions of all individuals/divisions to the academic mission of the Centre.
8. Critical care is a budget line in SEAMO, but is not a department nor was it considered by the Ministry/OMA and assigned a target. As the Ministry/OMA redistributed physicians in the program to their specialty groups:
 - a. Allocation to critical care participating physicians must be addressed by the "home departments".
 - b. Allocations of clinical or academic funds will reported by home departments to SEAMO identifying those portions allocated based on home department clinical and academic activities and those allocated on the basis of critical care academic activities.
 - c. Corrections for any unfairness of distribution of critical care funding will be corrected in the consideration of ongoing funding.